



# DEPARTMENT OF HIGHER EDUCATION & WORKFORCE DEVELOPMENT

## FINANCIAL AID DEVELOPMENTS

By Kim Slote, policy analyst

### CAMPUS-BASED PROGRAMS

A [Federal Register Notice](#) was issued by the USDE Jan. 3, 2020: Campus-Based Programs 2020-2021 Award Year Deadline Dates. The notice announces the 2020-2021 award year deadline dates for postsecondary institutions to submit requests and documents for the Federal Perkins Loan, Federal Work Study and Federal Supplemental Educational Opportunity Grant Programs. To ensure continued funding levels and participation in the programs, institutions must comply with the campus-based reporting deadlines.

The USDE published an [Electronic Announcement](#) Jan. 27, 2020: Application for Participation in the Work Colleges Program. Information outlined covers how schools can apply for participation in the Work Colleges Program, which is part of the Federal Work Study Program, for the 2020-2021 award year. Deadlines and contact information are available in the announcement, with instructions on how to apply.

An [Electronic Announcement](#) was published by the USDE Jan. 30, 2020: Tentative 2020-2021 Funding Levels for the Campus-Based Programs. Tentative funding levels and corresponding worksheets for the Campus-Based Programs were posted to the [Common Origination and Disbursement](#)

[website](#) Feb. 1, 2020, for the 2020-2021 award year. Attached to the announcement are two documents; [2020-2021 Explanation of Worksheets](#) and [2020-2021 Expected Family Contribution Procedures and Standard EFCs](#).

### FSA DATA CENTER

On Jan. 3, 2020, the USDE published an [Electronic Announcement](#): Federal Student Aid Posts New Reports to FSA Data Center. The [FSA Data Center](#) is a centralized online source for Federal Student Aid data. The application, loan, grant and portfolio reports are updated by Federal Student Aid quarterly. The reports recently posted reflect activity as of Sep. 30, 2019. The announcement outlines the reports available, along with several key findings based on those reports.

### FORMS

Two Electronic Announcements were published by the USDE in Jan. indicating updated forms were available. The announcements with dates of publication are as follows.

- [Renewal of Servicemembers Civil Relief Act: Interest Rate Limitation Request – Jan. 10, 2020](#)



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- [Renewal of Private Education Loan Applicant Self-Certification form for use by institutions and private education loan lenders – Jan. 10, 2020](#)
- [Interest Rates for Variable-Rate Federal Student Loans Made Under the FFEL Loan Program Prior to July 1, 2010](#)

### CIVIL MONETARY PENALTIES

The USDE issued a [Federal Register Notice](#) Jan. 14, 2020: Adjustment of Civil Monetary Penalties for Inflation. The Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 requires the amounts for the civil monetary penalties to be adjusted for inflation annually. This notice provides the updated amounts for 2020 by category. These adjusted CMPs are applicable only to civil penalties assessed after Jan. 14, 2020, whose associated violations occurred after Nov. 2, 2015.

### INTEREST RATES

Three Federal Register Notices regarding updated interest rates were issued by the USDE in the month of Jan.

- [Interest Rates for Variable-Rate Federal Student Loans Made Under the Direct Loan Program – Jan. 15, 2020](#)
- [Interest Rates for Fixed-Rate Federal Student Loans Made Under the Direct Loan Program – Jan. 15, 2020](#)

### HEAL PROGRAM

An [Electronic Announcement](#) was published by the USDE Jan. 22, 2020: HEAL Program Information - Maximum HEAL Program Interest Rates for Quarter Ending March 31, 2020. The “Current Maximum Interest Rates” section of the [HEAL Interest Rates](#) page of the [HEAL Information Area](#) on the Information for Financial Aid Professionals website has been updated with the maximum HEAL Program interest rates for the quarter ending March 31, 2020.

### PELL GRANT PROGRAM

On Jan. 24, 2020, the USDE published an [Electronic Announcement](#): Federal Pell Grant Program Reconciliation. Information provided in the announcement assists both the Financial Aid Office and Business Office with reconciliation of the Federal Pell Grant Program. Definitions for internal and external reconciliation are included. Deadlines are provided for data submission and funding cancellation of Pell Grants. Additional information is explained in the [Question and Answer](#) document that is attached to the electronic announcement.



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Dear Colleague Letter [GEN-20-01](#) was published by the USDE Jan. 31, 2020: 2020-2021 Federal Pell Grant Payment and Disbursement Schedules. Both PDF and Excel versions of the Federal Pell Grant Payment and Disbursement Schedules are attached to the announcement. These schedules must be used to determine Federal Pell Grant awards for the 2020-2021 award year for full-time, three-quarter-time, half-time and less-than-half-time students. The maximum award for the 2020-2021 Federal Pell Grant is \$6,345. There are a number of important reminders in the announcement.

### LOAN SERVICING

The USDE published an [Electronic Announcement](#) Jan. 28, 2020: Loan Servicing Information – Temporary Closures of Federal Loan Servicing Centers Due to Hazardous Weather Conditions. Federal loan servicers are located in different centers across the country. While servicers remain open as much as possible, each location has a contingency plan to implement when hazardous weather affects their area. Servicers will generally communicate a temporary closure through a recorded message on its Interactive Voice Response system and/or a message posted on their website. Situations that involve widespread and significant impact to borrowers and school customers will prompt an electronic announcement on the

[Information for Financial Aid Professionals](#) website.

An [Electronic Announcement](#) was published by the USDE Jan. 30, 2020: Loan Servicing Information – Reporting Student Loan Interest Payments for 2019. The announcement includes general information for the financial aid community about reporting student loan interest payments. Answers to the following questions are provided.

- Under what circumstances do federal loan servicers report interest payments on IRS Form 1098-E?
- How many 2019 1098-E's should a borrower expect to receive?
- What are the different scenarios that may apply to 2019 1098-E dissemination?

### FEDERAL SCHOOL CODE LIST

On Jan. 31, 2020, the USDE published an [Electronic Announcement](#): 2020-2021 Federal School Code List of Participating Schools (Feb. 2020). The [updated 2020-2021 FSC List of Participating Schools](#) is now available on the IFAP website. The unique codes on this list are assigned by the USDE to schools participating in the Title IV federal student aid programs. Students enter the FSC on their Free Application for



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Federal Student Aid for each school they wish to receive the processed application results. Instructions are provided in the announcement for schools that need to correct or update their FSC on the list.

### **DIRECT LOAN PROGRAM**

The USDE published an [Electronic Announcement](#) Jan. 31, 2020: Direct Loan Closeout Information for 2018-2019 Program Year. The announcement provides important reminders and outlines institutional responsibilities related to Direct Loan closeout for the 2018-2019 program year. To be successfully closed out, an institution must-

- Have an Ending Cash Balance of \$0 and Total Net Unbooked Disbursements of \$0 internally, and as reflected on the School Account Statement, and
- Complete the School Balance Confirmation form on the COD website.

The deadline for the Direct Loan closeout for the 2018-2019 program year is Friday, July 31, 2020. For more information regarding the Direct Loan closeout process, review the [Frequently Asked Questions](#) attached to the electronic announcement.